

CITY OF TIGARD, OREGON

RESOLUTION NO. 04- 44

A RESOLUTION OF THE CITY OF TIGARD ADOPTING A SUPPLEMENTAL BUDGET FOR FISCAL YEAR 2003-04, MAKING APPROPRIATIONS AND CREATING A STREET MAINTENANCE FEE FUND

WHEREAS, a Street Maintenance Fee was established by the Tigard City Council on November 18, 2003 and a separate fund needs to be established to track the revenues and expenditures for this dedicated fee; and

WHEREAS, the newly created Street Maintenance Fee Fund needs to reimburse the Central Services Fund for the initial setup costs for the billing of the Street Maintenance Fee; and

WHEREAS, projected expenditures for certain capital projects in the Facility Fund, Sanitary Sewer Fund, and Underground Utility Fund will exceed current appropriations; and

WHEREAS, the City issued a Bancroft bond in December 2003 for the Dartmouth LID and the first interest payment was due May 2004 and was not included in the FY 2003-04 Adopted Budget; and

WHEREAS, the City has received unanticipated early payoffs on other assessments which will allow the City to call the 1993-B Refunding bond early and save the City over \$10,000 in future interest payments; and

WHEREAS, Oregon Budget Law requires the adoption of a supplemental budget when certain conditions require a change in appropriations and when a new fund is created during the fiscal year.


NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: The Council adopts the supplemental budget for FY 2003-04, per attached Exhibit A.

SECTION 2: The Street Maintenance Fee Fund is established to account for the revenues and expenditures of the Street Maintenance Fee.


SECTION 3: This resolution is effective immediately upon passage.

PASSED: This 22nd day of June 2004.



Mayor - City of Tigard

ATTEST:



~~City Recorder - City of Tigard~~
Greer A. Gaston, Deputy City Recorder

FY 2003-04
Supplemental Budget
Schedule of Appropriations
Exhibit A

FY 2003-04 Current Budget	Supplemental Budget Amount	FY 2003-04 Revised Budget
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Street Maintenance Fee Fund

Resources

Beginning Fund Balance	\$0	\$0	\$0
Street Maintenance Fee	0	200,000	200,000
Total Resources	<u>\$0</u>	<u>\$200,000</u>	<u>\$200,000</u>

Requirements

Program Expenditures Total	\$0	\$0	\$0
Transfers to Other Funds	\$0	\$5,000	\$5,000
Total Requirements	\$0	\$5,000	\$5,000
Ending Fund Balance	\$0	\$195,000	\$195,000
Total Requirements	<u>\$0</u>	<u>\$200,000</u>	<u>\$200,000</u>

The Street Maintenance Fee Fund is being created to track the revenues and expenditures for the Street Maintenance Fee that was approved through Ordinance No. 03-10 by the City Council on November 18, 2003. For single and multi-family units, the fee is \$2.18 per unit per month. Non-residential customers pay \$0.78 per parking space. Gasoline stations pay \$0.78 per fueling pump station.

This fee provides a stable source of revenue designated for use in the maintenance of existing streets. This includes applying new street surfaces such as slurry seals, pavement overlays, and repairing deteriorating streets. The City began billing for the fee in April, 2004.

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Central Services Fund

Resources

Beginning Fund Balance	\$523,050	\$0	\$523,050
Interest Earnings	10,461	0	10,461
Transfers In from Other Funds	4,458,623	5,000	4,463,623
Total Resources	\$4,992,134	\$5,000	\$4,997,134

Requirements

Policy & Administration Program	3,609,741		3,609,741
General Government	394,920		394,920
Program Expenditures Total	\$4,004,661	\$0	\$4,004,661
Transfers to Other Funds	\$73,614		\$73,614
Contingency	\$257,334		\$257,334
Total Requirements	\$4,335,609	\$0	\$4,335,609
Ending Fund Balance	\$656,525	\$5,000	\$661,525
Total Requirements	\$4,992,134	\$5,000	\$4,997,134

The City Council approved a Central Services Fund Contingency transfer in the amount of \$5,000 for the implementation of the Street Maintenance Fee billing in March, 2004. The intent was that the Central Services Fund would be reimbursed for this cost once the Street Maintenance Fee Fund was established and the City began billing for the fee. This transfer reimburses the Central Services for the billing setup costs.

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Sanitary Sewer Fund

Resources

Beginning Fund Balance	\$8,388,092		\$8,388,092
Interagency Revenues	15,000		15,000
Utility Fees and Charges	1,530,310	214,700	1,745,010
Interest Earnings	167,762		167,762
Other Revenues	(5,000)		(5,000)
Total Resources	\$10,096,164	\$214,700	\$10,310,864

Requirements

Public Works Program	\$627,883		\$627,883
Program Expenditures Total	627,883	0	627,883
Capital Improvements	\$1,136,300	\$214,700	\$1,351,000
Transfers to Other Funds	290,353		290,353
Contingency	68,000		68,000
Total	\$2,122,536	\$214,700	\$2,337,236
Ending Fund Balance	7,973,628	0	7,973,628
Total Requirements	\$10,096,164	\$214,700	\$10,310,864

The Capital Improvement Program (CIP) in the Sanitary Sewer Fund includes the City's Neighborhood Sewer Extension Program. Under the program, the City installs public sewers to each lot within a reimbursement district that is formed and the owners reimburse the City for a fair share of the cost of the public sewer at the time of connection to the sewer.

Because of expanded activity and the additional work that was required on certain projects under the program, additional appropriations are needed to meet the expected expenditure levels.

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Facility Fund

Resources

Beginning Fund Balance	\$11,703,778	\$350,000	\$12,053,778
Interest Earnings	234,076		234,076
Transfers In from Other Funds	775,485		775,485
Total Resources	<u>\$12,713,339</u>	<u>\$350,000</u>	<u>\$13,063,339</u>

Requirements

Capital Improvements	\$7,387,380	\$1,540,000	\$8,927,380
Transfers to Other Funds	568,000		568,000
Contingency	1,190,000	(1,190,000)	0
Total	<u>\$9,145,380</u>	<u>\$350,000</u>	<u>\$9,495,380</u>
Ending Fund Balance	3,567,959		3,567,959
Total Requirements	<u>\$12,713,339</u>	<u>\$350,000</u>	<u>\$13,063,339</u>

Because of favorable weather and construction conditions, the completion of the new library is ahead of schedule. The FY 2003-04 Adopted Budget was developed based upon a more extended construction period. Given the shortened schedule, additional appropriations are needed for the project in order to make payments to contractors and vendors as work is completed.

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Bancroft Debt Service Fund

Resources			
Beginning Fund Balance	\$1,012,697		\$1,012,697
Interest Earnings	177,973	24,175	202,148
Bancroft Collections	2,518,017	125,825	2,643,842
Total Resources	<u>\$3,708,687</u>	<u>\$150,000</u>	<u>\$3,858,687</u>
Requirements			
Debt Service	\$3,052,820	\$150,000	\$3,202,820
Total	<u>\$3,052,820</u>	<u>\$150,000</u>	<u>\$3,202,820</u>
Ending Fund Balance	655,867	0	655,867
Total Requirements	<u>\$3,708,687</u>	<u>\$150,000</u>	<u>\$3,858,687</u>

When the Dartmouth Avenue Local Improvement District (LID) was finalized and the properties assessed in 1998, two of the property owners protested the amounts assessed to their properties. In September 2003, the Court ruled in favor of the City of Tigard regarding the final assessments. After the ruling, the property owners requested Bancroft financing by signing installment agreements to pay their assessments over time. The City then issued a Bancroft bond in December 2003 to retire the bond anticipation note, which had been outstanding since the Dartmouth LID was finalized, and to finance the assessments for the property owners.

The property owners will make semi-annual payments in April and October of each year until the assessment has been paid off. The City's first interest payment on the Bancroft bond is due in May 2004. This Bancroft bond was not included in the FY 2003-04 Budget as the City could not predict when or if the lawsuit would be settled, if the Court would rule in favor of the City, and whether or not the property owners would request Bancroft financing or pay off the assessments in lump sum.

In addition to the assessment payments for Dartmouth, the City has also received unanticipated early pay-offs on other assessments. These early pay-offs will allow the City to call the 1993-B Refunding bond early. By calling this bond now, the City will save over \$10,000 in future interest payments.

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Underground Utility Fund

Resources

Beginning Fund Balance	\$387,954		\$387,954
Utility Fees and Charges	47,530		47,530
Interest Earnings	7,759		7,759
Total Resources	<u>\$443,243</u>	<u>\$0</u>	<u>\$443,243</u>

Requirements

Capital Improvements	\$105,000	\$10,000	\$115,000
Contingency	15,000	(10,000)	5,000
Total	<u>\$120,000</u>	<u>\$0</u>	<u>\$120,000</u>
Ending Fund Balance	323,243		323,243
Total Requirements	<u>\$443,243</u>	<u>\$0</u>	<u>\$443,243</u>

The Capital Improvement Program (CIP) includes two major projects; Gaarde Street Phase 2 and Walnut Street (135th to 121st Ave). The Walnut Street project was not anticipated in the FY 2003-04 Budget. Under the Major Street Transportation Improvement Program (MSTIP), Washington County accelerated the schedule on this project which required the City to begin work on this project during the current fiscal year.